

# **CORRECTED FISCAL NOTE**

## **HB 111 - SB 17**

April 9, 2001

**SUMMARY OF BILL:** Creates the *Tennessee National Guard Tuition Assistance Program* to provide members of the Tennessee National Guard with the opportunity to attend a state educational institution. This program would be established under the adjutant general of Tennessee who would promulgate rules and regulations to establish eligibility requirements for participation.

Under this program, the Military Department would pay, to the extent funds have been appropriated by the General Appropriations Act and are available to the program, the cost of the eligible member's tuition at a state educational institution. An active member of the Tennessee National Guard who is not a Tennessee resident would qualify for the tuition assistance benefits provided that:

1. The member is enrolled in an educational institution within the state;
2. The tuition assistance benefits could not exceed the amount of in-state tuition assistance the member would have received if the member were a Tennessee resident; and
3. The tuition assistance benefits provided to the member who is enrolled at a private college or university shall not exceed the amount of in-state tuition assistance the member would receive if the member were enrolled at a state-supported educational institution.

### **ESTIMATED FISCAL IMPACT:**

On February 10, 2001, (before the release of the Governor's Budget) we issued a fiscal note on this bill, which indicated that:

The impact of this bill is an increase in state expenditures of \$694,000.

This estimate was based on the following:

Estimated 109 full-time guardsmen x \$984 = \$107,256 per semester

Estimated 983 part-time guardsmen x \$244 = \$239,852 per semester

2 semesters x \$347,108 = \$694,216 per year

Based upon additional information provided to us by the Department of the Military, the estimated fiscal impact of this bill is:

**Increase State Expenditures - \$250,000 Reflected in Governor's  
2001-02 Budget**

**Other Fiscal Impact - Increase Federal Expenditures - \$445,000**

There is included in the Governor's 2001-02 Budget an appropriation of \$250,000 for the purpose of providing eligible National Guard personnel

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with tuition assistance. In addition, under the ACES Tuition Assistance Program administered by the Department of Military, all eligible Army National Guard personnel receive up to 75% of their tuition paid with federal funds through this program. Therefore, it is assumed that approximately 75% of the total cost of the Tennessee National Guard Tuition Assistance Program, set out by the provisions of this bill, will be paid with federal funds.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director